

FSC-156-A	9/26/95	TO: ROM
SUBJECT: Price Strategy Execution		
DISTRIBUTION:		
<u>X</u> AVP	<u>X</u> KAM	___ ELM
<u>X</u> RSM	<u>X</u> Reg.Mil.Mgr.	___ MIL
<u>X</u> RBM	___ Reg.DF Mgr.	___ DF
<u>X</u> ROM	___ DM	___ REP

cc: RBM
ROM
RMD
AMs
DMs
RMs
SRs
RRs

c/m: 9-28-95

Effective price strategy execution at retail is our #1 priority in Field Sales. We know that our price vs. competitors' price is the Number 1 factor in holding our volume and share. If we fail to execute our pricing strategies effectively and consistently, our share and volume trends will definitely tank.

There has been considerable confusion relating to our pricing strategies. We believe this has affected our short-term volume performance. The confusion can be broken down into two categories - who should execute the pricing strategies and who should answer price gap questions. To reduce confusion, we have attached a series of questions and answers.

Please read the attachment carefully. It is critical that you understand our pricing strategies and the issues relating to resolving them. This, we believe, will improve our short-term volume performance.

My expectations relative to our pricing strategies can be summarized in the four points below:

- 1) Understand our pricing strategies.
- 2) Communicate these strategies to Sales Representatives and Retail Representatives.
- 3) Ensure that everyone understands their role in executing our pricing strategies.
- 4) Make it happen.

During the Sales Force 2000 transition period, it is critical that you address issues concerning vacancies and the training of new Retail Reps through your contingency plans.

Our pricing strategies, DORAL Ceiling Strategy, Full-Price Gap Management and SALEM Matching, when executed properly have proven to hold our volume and share. If you have any questions, please contact your Regional Sales Manager.

Sincerely,

Dave

Dave Wilmesher
North East Sales Area Vice President

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